

**Before the
Federal Communications Commission
Washington, D.C. 20554**

In the Matter of)	
)	
Request for Review of the Decision of the)	
Universal Service Administrative)	
Company by)	
)	
Monroe County School District)	File No. SLD-220667
Union, West Virginia)	(FRNs 587496, 593389, and 593447)
)	
Federal-State Joint Board on Universal)	CC Docket No. 96-45
Service)	
)	
Changes to the Board of Directors of the)	CC Docket No. 97-21 ✓
National Exchange Carrier Association, Inc.)	
)	

ORDER

Adopted: November 7, 2002

Released: November 8, 2002

By the Telecommunications Access Policy Division, Wireline Competition Bureau:

1. Before the Telecommunications Access Policy Division is a Request for Review filed by the Monroe County School District (Monroe County), Union, West Virginia.¹ Monroe County seeks review of funding commitment decisions by the Schools and Libraries Division (SLD) of the Universal Service Administrative Company (Administrator) in regards to certain requests for support in Funding Year 2001 of the schools and libraries universal service program.² For the reasons set forth below, we affirm SLD's rejection and deny Monroe County's Request for Review.

2. Under the schools and libraries universal service support mechanism, eligible schools, libraries, and consortia that include eligible schools and libraries, may apply for

¹ Letter from Nathaniel Hawthorne on behalf of the Monroe County School District, to the Federal Communications Commission, filed September 5, 2001 (Request for Review).

² See Request for Review. Section 54.719(c) of the Commission's rules provides that any person aggrieved by an action taken by a division of the Administrator may seek review from the Commission. 47 C.F.R. § 54.719(c). Previously, this funding period was referred to as Funding Year 4. Funding periods are now described by the year in which the funding period starts. Thus, the funding period which began on July 1, 2001 and ended on June 30, 2002, previously referred to as Funding Year 4, is now called Funding Year 2001. The funding period which began on July 1, 2002 and ends on June 30, 2003, is now known as Funding Year 2002, and so on.

discounts for eligible telecommunications services, Internet access, and internal connections.³ In order to receive discounts on eligible services, the Commission's rules require that an applicant submit to the Administrator a completed FCC Form 470, in which the applicant sets forth the school's technological needs and the services for which it seeks discounts.⁴ Once the school has complied with the Commission's competitive bidding requirements and signed a contract for the eligible services, it must file an FCC Form 471 application to notify the Administrator, among other things, of the services that have been ordered, the carrier with whom the school has signed the contract, and an estimate of funds needed to cover the discounts to be given for eligible services.⁵

3. Monroe County appeals three funding decisions to the Commission.⁶ In its FCC Form 471, Monroe County requested, among other things, funding for local telecommunications service from Verizon ~~for~~ the pre-discount amount of \$31,800 (FRN 587496), funding for cellular telephone service from Highland Cellular for the pre-discount amount of \$17,760 (FRN 593389), and funding for paging service from Highland Paging for the pre-discount amount of \$2,880 (FRN 593447).⁷ SLD issued a Funding Commitment Decision Letter to Monroe County on August 7, 2001, denying these funding requests in full because the "applicant has not provided sufficient documentation to determine the eligibility of this item."

4. In its Request for Review, Monroe County asks the Commission to overturn SLD's determination, arguing that "SLD did not ask for additional documentation."⁹ In support of this assertion, Monroe County has provided a copy of a facsimile and an electronic mail from SLD to Monroe County's representative in the application process, Paul Karas.¹⁰ In this

³ 47 C.F.R. §§ 54.402, 54.503

⁴ 47 C.F.R. § 54.504(b)(1), (b)(3)

⁵ 47 C.F.R. § 54.504(c).

⁶ In its Request for Review, Monroe County also appealed SLD's denial of its Funding request for Internet access services to be provided by the Regional Education Service Agency of West Virginia (RESA). *See* Request for Review. On January 11, 2002, however, Monroe County filed a request to withdraw its appeal concerning the RESA Internet access services. *See* Letter from Nathaniel Hawthorne on behalf of Monroe County School District to the Federal Communications Commission, filed January 11, 2002. This Order only addresses those funding requests that were not specifically withdrawn by Monroe County.

FCC Form 471, Monroe County School District, filed January 16, 2001 (Block 5, FRNs 587496, 593389, 593447).

⁸ Letter from Schools and Libraries Division, Universal Service Administrative Company, to Paul Karas, Monroe County School District, dated August 7, 2001 (Funding Commitment Decision Letter).

⁹ Request for Review at 2

¹⁰ *See* Request for Review, Attachment B (copy of electronic mail transmission from John Pimak, Schools and Libraries Division, Universal Service Administrative Company, to Paul Karas, dated July 16, 2001 (July 16 Correspondence)).

correspondence, SLD indicated that “[n]umerous applications and FRNs remain outstanding and unsupported,” and provided a list of applications that required additional documentation.” Monroe County alleges that, because SLD did not specifically ask for additional documentation regarding Monroe County in this correspondence, there were therefore no outstanding issues regarding Monroe County.”

5. We have reviewed Monroe County’s appeal and conclude that Monroe County has not shown that its requests for discounts on telecommunications services were improperly denied. The program’s rules state that universal service funds support only eligible services.” In order for SLD to determine whether a funding request is in compliance with program rules, an applicant must provide sufficient documentation to support its request. Specifically, Block 5 of the standard FCC Form 471 specifies that, for each funding request, applicants must at a minimum attach a description of the service, including a breakdown of components and costs, plus any relevant brand names.” The applicant must also indicate whether the service is site-specific or shared by several entities.¹⁵

6. Given the enormous volume of applications and other submissions that SLD processes and reviews each year, it is necessary for SLD to put in place measures to ensure prompt resolution of applications. One such measure in place is an administrative procedure that applicants from whom SLD solicits additional information necessary to complete their application respond with that information within seven days of being contacted.¹⁶ The procedure has been necessary in order to prevent applicants from unduly delaying the application process. Contrary to Monroe County’s assertion that SLD did not ask for additional documentation in connection with the funding requests at issue here, the record indicates that SLD’s Program Integrity Assurance (PIA) team contacted Mr. Karas on a number of occasions to obtain more detailed information about these funding requests, including documentation of one-time charges and monthly bills.¹⁷ The record further indicates that Mr. Karas failed to provide the requested

¹¹ *Id.*

¹² Request for Review at 2.

¹³ 47 C.F.R. § 54.504 *et seq.*

¹⁴ See Instructions for Completing the Schools and Libraries Universal Service Services Ordered and Certification Form, OMB 3060-0806, November 2001 (FCC Form 471 Instructions), available at <<http://www.sl.universalservice.org/data/pdf/j471v5.pdf>>.

¹⁵ *Id.*

¹⁶ See Request for Review by Nefesh Academy, Federal-State Joint Board on Universal Service, Changes to the Board of Directors of the National Exchange Carrier Association, Inc., File No. SLD-27881, CC Dockets No. 96-45 and 97-21, Order, DA 99-2284 (Coni. Car. Bur. rel. October 22, 1999) (citing seven-day rule). See also SLD website, Reference Area, Program Integrity Assurance (PIA), <<http://www.universalservice.org/reference/>>.

¹⁷ PIA contact logs in the record indicate that SLD contacted Mr. Karas by phone on April 18, 25, and 26, 2001, and May 3, 2001. The SLD reviewer’s notes in these logs, among other things, indicate that SLD received a fax from Mr. Karas, but the information sent was “not what SLD requested.” SLD also noted in this log that all 28 applications submitted by Mr. Karas had “the same format and application,” with little or no supporting (continued,...)

documentation within the initial seven-day filing period."

7. Monroe County asserts that when SLD contacted Mr. Karas on July 16, 2001, SLD specified a number of applications for which there were outstanding document requests, but did not mention Monroe County.¹⁹ The fact that SLD may not have specifically requested further information from Monroe County in the July 16 Correspondence, however, does not alter the fact that Monroe County had failed to respond to SLD's earlier requests. SLD's information for applicants clearly states that SLD reserves the right to determine the adequacy of the information provided by an applicant during the PIA process, and the fact that SLD may not have asked for further information does not establish that the documentation provided by Monroe County was adequate."

8. In light of the thousands of applications that SLD reviews and processes each year, it is administratively necessary to place on the applicant the responsibility of complying with all relevant rules and procedures.²¹ In order for the program to work efficiently, the applicant must assume responsibility for timely submission of complete and accurate application materials if it wishes to be considered within the window. Because Monroe County provides no evidence that it supplied the requested information, we affirm SLD's decision.

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documentation. See Universal Service Administrative Company, Schools and Libraries Division, Review Activity Logs (entries for April 18, 25, and 26, 2001, and May 3, 2001) (Review Activity Logs).

¹⁸ Review Activity Logs (entries for April 25 and 26, 2001, and May 3, 2001). Mr. Karas was informed of the seven-day policy on April 18, 2001 and its expiration on April 26, 2001, Review Activity Logs (entries for April 18 and 26, 2001).

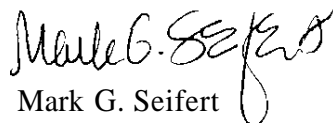
¹⁹ July 16 Correspondence.

²⁰ *Id.* See also SLD website, Reference Area, Program Integrity Assurance (PIA), <http://www.universalservice.org/reference/>.

²¹ See *Request for Review by Anderson School Staatsburg, Federal-State Joint Board on Universal Service, Changes to the Board of Directors of the National Exchange Carrier Association, Inc.*, File No. SLD-133664, CC Docket Nos. 96-45 and 97-21, Order, 15 FCC Rcd 25610 (Com. Car. Bur. 2000), para. 8.

9. Accordingly, IT IS ORDERED, pursuant to authority delegated under sections 0.91, 0.291, and 54.722(a) of the Commission's rules, 47 C.F.R. §§ 0.91, 0.291, and 54.722(a), that the Request for Review filed on September 5, 2001 by the Monroe County School District, Union, West Virginia, IS DENIED

FEDERAL COMMUNICATIONS COMMISSION

A handwritten signature in black ink, appearing to read "Mark G. Seifert". The signature is written in a cursive, flowing style.

Mark G. Seifert
Deputy Chief, Telecommunications Access Policy Division
Wireline Competition Bureau